

RF

22 JUN 1971

DD/S&T-1970-71

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MEMORANDUM FOR: Director, Research and Development
Director, Special Activities

SUBJECT: Project

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1. Attached hereto is a copy of Executive Director-Comptroller's memorandum regarding the meeting with the DCI on project

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2. I invite your attention particularly to paragraph three in which the Executive Director-Comptroller has agreed to make \$1,100,000 of FY 1971 Funds available for the next 90 days and also to his limitation on the use of any FY 1972 funds for project

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For: (Sign:)

Carl E. Duckett
Deputy Director
for
Science and Technology

Attachment:
As stated

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DD/STP (84/8-17)

18 June 1971

**MEMORANDUM FOR: Director of Planning, Programming, and
Budgeting**

SUBJECT

: Project

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1. On 16 June 1971 Carl Duckett and I met with the Director and General Cushman to report on the status of Project and to seek guidance on the course of action we should now pursue. Carl reported on the last test flight, during which and also pointed out the following:

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a. \$1.1 million would be approximately enough money to continue the project on a bare-bones approach for approximately ninety days.

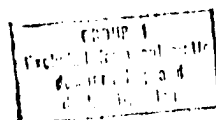
b. If we decide to go ahead with the project, the \$5.5 million in the Fiscal Year 1972 budget will probably not be enough. At this point in time we do not know how much more would be needed.

c. If we go ahead with the project, Fiscal Year 1973 will be the peak budget year, and we shall need at least \$10 million and probably \$15 million for the project during that fiscal year.

d. In the light of SALT negotiations, Ping-Pong diplomacy, and the like, we need to satisfy ourselves to the extent possible that, assuming we produce a viable operational asset, we shall be permitted to use it over denied areas.

2. In the discussion which followed, the Director agreed that during the next ninety days we should, working with the contractor, wring out the project thoroughly, using the bare-bones approach recommended by Carl. During this time frame we should also make a presentation to the 40 Committee to find out whether we shall be

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able to use the vehicle operationally. We should do everything necessary to make a decision and bite the bullet one way or the other no later than 30 September. The Director also said that, if the project goes ahead, if it is successful, and if we have reason to believe that we shall be permitted to use it, he will have no hesitancy in requesting the necessary funds in the Fiscal Year 1973 budget.

3. In a subsequent conversation with Carl Duckett on 18 June, I agreed to make the \$1.1 million of Fiscal Year 1971 money available now with the understanding that (a) this will take care of the bare-bones approach approved by the Director for the next ninety days and (b) that no Fiscal Year 1972 funds will be used for Project [] until the decision to proceed or terminate is made sometime between now and the end of September.

/s/ L. K. White

L. K. White
Executive Director-Comptroller

cc: DDCI
DD/S&T

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